Everest Group
RESEARCH

IT Outsourcing in Global Capital Markets – Service Provider Landscape with PEAK Matrix™ Assessment 2017 and Profiles Compendium

Banking, Financial Services, and Insurance (BFSI) IT Outsourcing
Market Report – June 2017 – Preview Deck

EGR-2017-11-PD-2233

Our research offerings for global services

- **Market Vista™**
  Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

Application Services	**Human Resources**
BPS | Banking Financial Services	**ITS | BFSI***
BPS | Healthcare & Life Sciences	**ITS | Healthcare & Life Sciences**
BPS | Insurance	**IT Services Forecaster™**
Catalyst™	**Locations Insider™**
Cloud & Infrastructure	**PricePoint™**
Contact Center	**Procurement**
Digital Services	**Recruitment & Talent Acquisition**
Engineering Services	**Service Optimization Technologies**
Finance & Accounting	**Transaction Intelligence**

Subscription information

- This full report is included in the following subscription(s)
  – BFSI ITO
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- **If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us**

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Corporate Headquarters
Office: +1-214-451-3000
info@everestgrp.com

European Headquarters
Office: +44-207-129-1318
unitedkingdom@everestgrp.com

Delhi Office
Office: +91-124-284-1000
india@everestgrp.com

* Banking, financial services, and insurance

Table of contents (page 1 of 2)

Topic	Page no.
Background and methodology	**6**
Executive summary	**12**
• Summary of key messages	13
• Key trends and implications for key stakeholders	14
Section I: Capital markets AO PEAK Matrix characteristics	**17**
• Service provider capability summary dashboard	19
• Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for capital markets AO	23
• Capital markets AO Star Performers	26
• Characteristics of Leaders, Major Contenders, and Aspirants	29
Section II: Profiles of capital markets AO service providers	**38**
• Leaders	38
– Accenture	39
– Capgemini	41
– Cognizant	43
– HCL Technologies	45
– Infosys	47
– TCS	49
• Major Contenders	51
– Atos	52
– CGI	54
– DXC Technology	56

EGR-2017-11-PD-2233

Table of contents (page 2 of 2)

Topic | **Page no.**

- Major Contenders (continued)
  - EPAM 58
  - Genpact 60
  - GFT 62
  - Hexaware 64
  - IBM 66
  - LTI 68
  - Excelian, Luxoft FS 70
  - NIIT Technology 72
  - NTT DATA 74
  - Synechron 76
  - Tech Mahindra 78
  - VirtusaPolaris 80
  - Wipro 82

- Aspirants 84
  - Birlasoft 85
  - ITC Infotech 87
  - Mphasis 89
  - Quinnox 91
  - Syntel 93

Appendix 95
- Glossary of terms 96
- BFSI ITO research calendar 99
- References 100

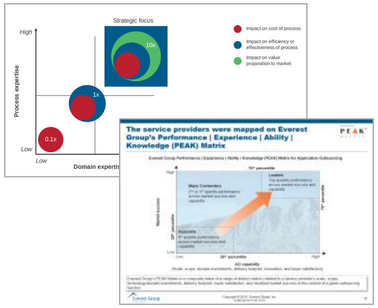
Contents

- **Background and methodology**
- Executive summary
- Capital markets AO PEAK Matrix characteristics
- Profiles of capital markets AO service providers
- Appendix

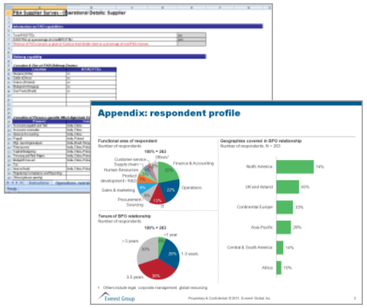
Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

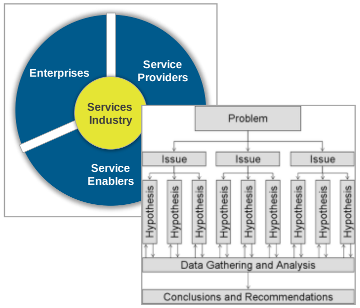
1 Robust definitions and framework
(PEAK Matrix^{TM}, market maturity, and technology adoption/investment)



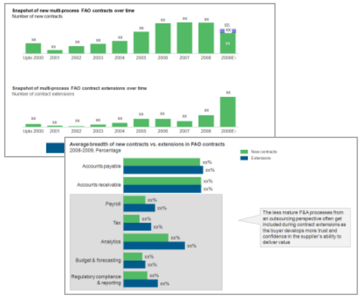
2 Primary sources of information
(Annual, contractual and operational RFIs, service provider briefings and buyer interviews, and web-based surveys)



3 Diverse set of market touchpoints
(Ongoing interactions across key stakeholders, input from a mix of perspectives and interests, supports both data analysis and thought leadership)



4 Fact-based research
(Data-driven analysis with expert perspectives, trend analysis across market adoption, contracting, and service providers)



- Proprietary contractual database of 500+ large active BFSI AO contracts (updated annually)
- Year-round tracking of 25+ BFSI AO service providers
- Dedicated team for BFSI IT outsourcing research, spread over two continents
- Over 25 years' experience of advising BFSI clients on ITO and BPO decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

Background and scope of the research

Background of the research

- Uncertainty in the geopolitical and macroeconomic environment, changing regulatory landscape, sluggish growth, and threat from next-generation financial technology firms (FinTech's) revolutionizing customer experience and offering differentiated services are the key challenges being faced by capital markets enterprises. These challenges have forced them to revisit their business model and redefine the way they leverage technology and interact with their customers. Capital markets enterprises worldwide are exploring/experimenting with the latest technologies, such as robotic process automation, blockchain, machine learning, cloud, and robo-advisory, to offset some of the above mentioned challenges and simultaneously bring in efficiencies and drive down cost of operations

- To cater to the contemporary needs of the capital markets industry, IT service providers are also realigning their value proposition through investments in building IPs, solutions, frameworks, and accelerators, helping clients to swiftly adapt to risk and regulatory changes, take products faster to market (by implementing agile and DevOps methodology), and drive cost reduction by leveraging cutting-edge technologies. They have shown strong propensity to build consulting capabilities and act as strategic partners to capital markets enterprises

- In this research, we analyze the capabilities of 27 leading AO service providers, specific to the global capital markets sector. These providers were mapped on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix, which is a composite index of a range of distinct metrics related to each provider's capability and market success. In this report, we focus on:
  – The landscape of service providers in capital markets AO
  – Assessment of the service providers on a number of capability-related dimensions
  – Characteristics of Leaders, Major Contenders, and Aspirants on the Everest Group capital markets AO PEAK Matrix™
  – "Star Performers" of 2017, providers with the strongest forward movement over time – in terms of both market success and capability advancements
  – Implications for capital markets buyers and service providers

Scope of this report

- **Industry:** Capital markets (investment banking, asset management, custody, fund administration, and brokerage); excludes banking and insurance
- **Services:** Large (TCV > US$25 million), multi-year (>three years), and annuity-based application outsourcing
- **Geography:** Global
- **Service providers:** Includes 27 leading capital markets AO service providers (list mentioned on page 11)

This report examines the service provider landscape for large (TCV > US$25 million), annuity-based, multi-year (>3 years) application services relationships in the global capital markets sector

NOT EXHAUSTIVE

Focus of report

BFSI

Banking
- Retail banking (B2C[1])
- Lending
- Cards and payments
- Commercial banking (B2B[2])

Capital markets
- Investment banking
- Asset management
- Custody and funds administration
- Brokerage
- Others[3]

Insurance
- Life and pensions
- Property and casualty
- Others

Services industry

IT Infrastructure Outsourcing (IO)
- Traditional IO
- Remote Infrastructure Management (RIM)
- Infrastructure Management Services (IMS)
- Cloud

IT Application Outsourcing (AO)
- Application development
- Application maintenance
- Independent testing
- Package implementation
- ERP services
- Business intelligence / data warehousing

Business Process Outsourcing (BPO)
- BFSI-specific BPO
- HRO
- FAO
- PO
- Contact center
- Knowledge services

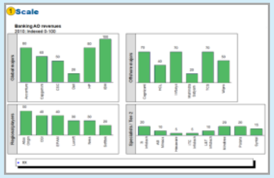
Consulting
- IT strategy / operations consulting
- Business consulting
- Infrastructure consulting
- Infrastructure rollouts

Digital services
Services in next-generation technologies leveraged by enterprises to enable transformation including social, mobility, analytics, cloud, and others (Artificial Intelligence (AI), Robotic Process Automation (RPA), Internet of Things (IOT), Machine-to-Machine (M2M), etc.)

1 Business-to-consumer relationships
2 Business-to-business relationships
3 Includes other capital markets functions such as structured finance, treasury, FX, and horizontal functions including risk management

This report is a part of Everest Group's series of reports focused on ITO in BFSI in 2017

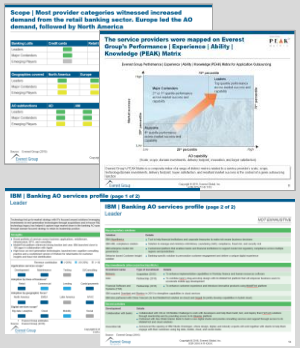
IT Outsourcing in BFSI – Annual Report



Each report provides:
- An overview of the application services market for the BFSI vertical, capturing key trends in market size, growth, drivers & inhibitors, adoption trends, regional/functional break-outs of the market, emerging themes, key areas of investment, and implications
- Key movements in volumes/values of AO transactions, evolving trends, market dynamics, and emerging priorities of buyers in the last 12 months

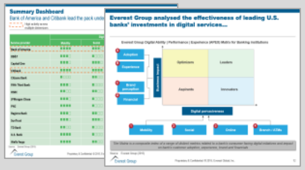
- Global Banking
- Global Capital Markets
- Global Insurance

IT Outsourcing in BFSI – Service Provider Landscape and Profiles Compendium



Each report provides:
- Assessment of service provider landscape in AO services and mapping of providers on Everest Group's PEAK Matrix™ – as Leaders, Major Contenders, and Aspirants
- Benchmarking scale, scope, domain investments, and delivery footprint of each provider's BFSI-AO practice along with comparative evaluation of their BFSI-AO capabilities
- The 2017 BFSI-AO PEAK analyses focus on identifying the "Star Performers", i.e., providers with the strongest forward movement over time – both in terms of market success and capability advancements
- Capability profiles of service providers capturing their AO services experience in specific subverticals including details such as AO services capabilities, key investments, proprietary solutions, and technological expertise

- **Global Banking**
- Global Capital Markets
- Global Insurance
- Risk & Regulatory Compliance in BFS
- Digital Services in Consumer Banking
- Digital Services in Wealth Management
- Digital Services in P&C Insurance



- Two reports as part of an "open source" evaluation of the digital effectiveness of the largest retail banks in Europe and the United States and mapping them on Everest Group's PEAK Matrix for enterprises – as Leaders, Optimizers, Innovators, and Aspirants

- PEAK Matrix for Digital Effectiveness in the U.S. retail banks
- PEAK Matrix for Digital Effectiveness in European retail banks

Everest Group's capital markets research is based on two key sources of proprietary information

1

- Everest Group's proprietary database of 400+ large, active, multi-year AO contracts within capital markets (updated annually). The database tracks the following elements of each large AO relationship:
  - Buyer details including industry, size, and signing region
  - Contract details including TCV, ACV, term, start date, service provider FTEs, and pricing structure
  - Activity broken down separately for banking, capital markets, insurance, and by line of business (for example, investment banking, asset management, custody, fund administration, and brokerage)
  - Scope includes coverage of buyer's geography as well as functional activities
  - Global sourcing including delivery locations and level of offshoring

2

- Everest Group's proprietary database of **operational capability of 25+ capital markets AO service providers** (updated annually)
- The database tracks the following capability elements for each service provider:
  - Major capital markets AO clients and recent wins
  - Overall revenue
  - Recent capital markets-related developments
  - Capital markets AO delivery locations
  - Capital markets AO service suite
  - Domain capabilities, proprietary solutions, and intellectual property investments

Service providers covered in the analysis

accenture[1] High performance. Delivered.
Atos
Birlasoft
Capgemini
CGI
Cognizant
DXC[2]
epam
GENPACT
GFT
HCL
Hexaware
IBM
Infosys
ITC INFOTECH
LTI
excelian LUXOFT FINANCIAL SERVICES
Mphasis an HP company
NIIT technologies
NTT DATA[3]
Quinnox[1]
Synechron[1]
SYNTEL
TATA CONSULTANCY SERVICES
Tech Mahindra
virtusa | POLARIS
wipro

1 Assessment for Accenture, Synechron, and Quinnox excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with capital markets buyers
2 Analysis for DXC includes combined capabilities of CSC and HPE Services
3 Analysis for NTT DATA includes capabilities post integration with Dell Services
Note: We continuously monitor market developments and track additional service providers beyond those included in the analysis
Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

This report contains insights on the capital markets AO service provider landscape and profiles of service providers

The report provides a comprehensive assessment of the service provider landscape in AO services for capital markets and maps various providers on Everest Group's PEAK Matrix™. The report further examines the distinctive characteristics of different service provider clusters i.e., Leaders, Major Contenders, Aspirants, and recognizes the key implications of the rapidly changing landscape for capital markets buyers and service providers

Some of the findings in this report, among others, are:

PEAK Matrix characteristic for capital markets AO

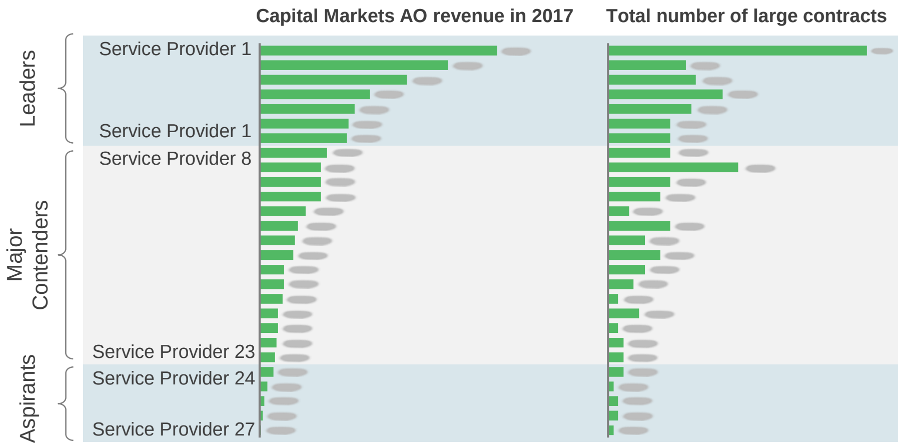
- Leaders made incremental investments in developing solutions, frameworks, and accelerators with increased propensity to strengthen their capabilities in digital themes (cloud, analytics, and mobility) and the latest technologies such as blockchain, robotic process automation, machine learning, and cognitive analytics
- Major Contenders focused on increasing onshore and nearshore delivery footprint through mergers and acquisition and augmenting their consulting and system integration capabilities through partnerships
- Aspirants continued to build niche capabilities in specific areas such as risk and regulatory compliance. They also showed increased focussed on developing capabilities in the digital space through investments in COEs

Implications for buyers and service providers

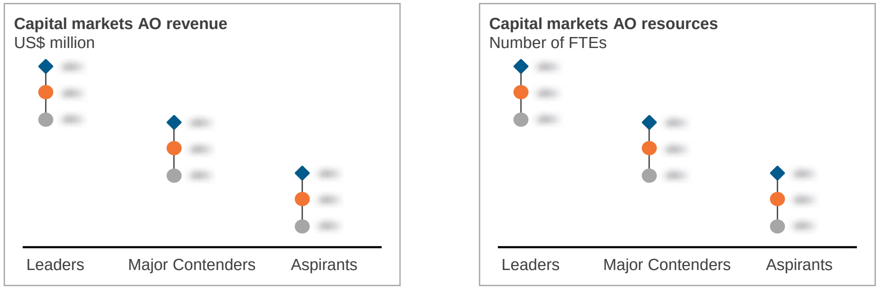
- Capital markets enterprises worldwide are forced to revisit their business model, redefine the way they leverage technology, and interact with their customers due to the contemporary challenges they face. Driving down cost and improving in process efficiencies continues to be a main focus area
- Buyers are exploring new pricing and commercial models to share risk and accountability with service providers
- Service providers are partnering, acquiring or investing in FinTechs to bring innovative solutions to the market

This study offers a deep dive into the key aspects of the capital markets AO service provider landscape; below are four charts to illustrate the depth of the report

Capital markets AO service provider market share



Capital markets AO scale by provider segment

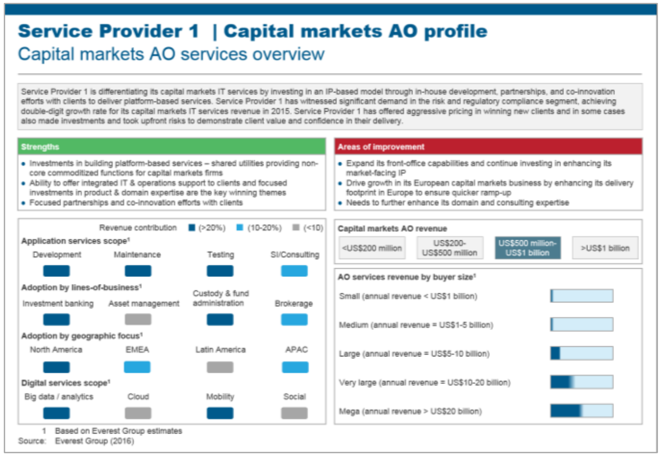


Leaders	Service provider 1	Service provider 2	--	Service provider 7
Major Contenders	Service provider 8	Service provider 9	--	Service provider 23
Aspirants	Service provider 24	Service provider 25	--	Service provider 27

Service provider capability assessment dashboard

Service provider	Delivery capability					Market success
	Scale	Scope	Domain Expertise & innovation	Delivery footprint	Buyer satisfaction	
Service provider 1						
Service provider 2						
Service provider 3						
Service provider 4						
Service provider 5						
Service provider 6						
Service provider 7						
Service provider 8						
Service provider 9						
Service provider 10						

Service provider profile



Source: Everest Group (2017)

BFSI ITS research calendar

Published | Current

Topic	Release date
Mobility Services in Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016	January 2017
Big Data & Analytics in Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016	January 2017
FinTechs in Payments – Top 40 Trailblazers	May 2017
InsurTechs Envisioning the Future of Insurance – Top 40 Trailblazers	May 2017
IT Outsourcing in Global Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2017 and Profiles Compendium	June 2017
IT Outsourcing in Global Capital Markets – Service Provider Landscape with PEAK Matrix™ Assessment 2017	June 2017
IT Outsourcing in Capital Markets – Annual Report 2017	Q3 2017
IT Outsourcing in Banking – Annual Report 2017	Q3 2017
IT Outsourcing in Global Insurance – Annual Report 2017	Q3 2017
IT Outsourcing Global Insurance, L&P, and P&C – Service Provider Landscape with PEAK Matrix™ Assessment 2017 and Profiles Compendium	Q3 2017
Adoption of Public Cloud in BFSI	Q3 2017
IT Outsourcing in Risk & Regulatory Compliance in BFS – Service Provider Landscape with PEAK Matrix™ Assessment	Q3 2017
Digital Services in Consumer Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2017	Q4 2017
Digital Services in Wealth Management– Service Provider Landscape with PEAK Matrix™ Assessment 2017	Q4 2017
Digital Services in P&C Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2017	Q4 2017

Additional research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details on the topic or complementary content that may be of interest.

1. **IT Outsourcing in Global Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2017 and Profiles Compendium** (EGR-2017-11-R-2232); 2017. This report provides an overview of the Application Outsourcing (AO) market for the capital markets industry through an in-depth analysis of large-sized AO contracts (i.e., contracts over US$25 million in TCV and over three years in duration). The report analyzes key trends in market size & growth, demand drivers, adoption & scope trends, emerging priorities of buyers, key investment themes, and future outlook for 2016 with regards to such large capital markets AO deals

2. **FinTechs in Payments – Top 40 Trailblazers** (EGR-2017-11-R-2172); 2017. In this report, we analyze current state of FinTech adoption, drivers of growth, investment trends, key areas of disruption within the payments value chain, and 40 leading FinTechs that stood out from a list of around 125

3. **InsurTech Envisioning the Future of Insurance - Top 40 Trailblazers** (EGR-2017-11-R-2177); 2017. In this report, we have identified key business priorities for insurers across different tenets of the insurance value chain, analyzed a long list of 100 startups and highlighted 40 InsurTech firms – "Trailblazers" that caught our attention with their ability to help insurers meet their business priorities and aligned them across respective value-chain elements

For more information on this and other research published by Everest Group, please contact us:

Jimit Arora, Partner: jimit.arora@everestgrp.com
Ronak Doshi, Practice Director: ronak.doshi@everestgrp.com
Aaditya Jain, Senior Analyst: aaditya.jain@everestgrp.com
Archit Mishra, Senior Analyst: archit.mishra@everestgrp.com
Tarun Kumar, Senior Analyst: Tarun.kumar@everestgrp.com

Website: www.everestgrp.com | Phone: +1-214-451-3000 | Email: info@everestgrp.com

Everest Group

From **insight** to ***action***.

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-804-276-4533

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

New York
info@everestgrp.com
+1-646-805-4000

Toronto
canada@everestgrp.com
+1-647-557-3475

Stay connected

Website

www.everestgrp.com

Social Media

@EverestGroup

@Everest Group

Blog

Sherpas In Blue Shirts

www.sherpasinblueshirts.com